GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2427
ANSWERED ON:13.03.2006
INTRODUCTION OF HEALTH CESS
Saradgi Shri Iqbal Ahmed

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Committee of Secretaries had short down the proposal of introducing 2 per cent health cess on all central taxes;

(b) if so, whether his Ministry had proposed the Cess to raise Rs.6500 crores to fund among other things a Rs.3000 crores medical scheme comprising free medicines for the poor;

(c) if so, the details of the recommendations made by the committee; and

(d) the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERSAND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE)

(a) to (d): The proposal of this Department for introduction of a Health and Pharma Cess on the lines of education cess for launching a Health Insurance Scheme for BPL families was discussed by the Committee of Secretaries (COS) in its meeting held on 7th February, 2006 under the Chairmanship of the Cabinet Secretary. After detailed discussions it was decided, inter-alia, that the entire exercise should be remitted to the Ministry of Health and Family Welfare which would prepare appropriate schemes within their budgetary limits.